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## UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON AT SEATTLE

T-MOBILE USA, INC., et al.,

Plaintiffs,

v.

THE CITY OF ANACORTES,

Defendant.

CASE NO. C07-1644RAJ ORDER

## I. INTRODUCTION

This matter comes before the court on cross-motions for summary judgment (Dkt. ## 12, 27). The court has considered the parties' briefing and supporting evidence, and has heard from the parties at oral argument. The parties agreed at oral argument that no material facts are in dispute to prevent the court from ruling on their respective summary judgment motions. For the reasons stated below, the court GRANTS Plaintiffs' motion and DENIES Defendant's motion.

#### II. BACKGROUND

Plaintiffs T-Mobile USA, Inc., and T-Mobile West Corporation (referred to collectively as "T-Mobile") provide digital wireless voice, messaging and data services. T-Mobile's service operates through its cellular radio telephone network, which is comprised of thousands of cell antenna sites, switching facilities, and other network elements. The federal government assigns each wireless carrier a limited amount of frequency, which is divided into a certain number of radio frequency ("RF") channels, and the RF channels are assigned to the cell sites to enable wireless communication. The limited number of RF channels must be reused at different cell sites, creating potential

interference between sites. To minimize such interference, all sites transmit at very low power, resulting in limited coverage from each site. The location of antenna sites is determined by terrain, structure blockage, call volume, and antenna height.

T-Mobile sought to expand its coverage in the City of Anacortes ("the City"), on the northern portion of Fidalgo Island in Puget Sound, in September 2006. T-Mobile applied for a permit to construct an additional wireless telecommunications facility ("WCF") at a particular site. The permit application analyzed eighteen site alternatives and proposed the construction of a 116-foot monopole with three antennas at the top. The facility would also include a new equipment building to house associated radio cabinets. T-Mobile proposed building the facility on property owned by the United Methodist Church, located in a residential neighborhood.

The Anacortes Municipal Code ("AMC") regulates the permitting approval process and creates three paths to permit approval. The first path is for "permitted uses," which includes wireless facilities that are to be located on public property. No review or approval is required for these uses. AMC 17.63.050. The second path is an administrative approval process that applies to a limited number of locations, which do not include any residential zones. AMC 17.63.060(B).

The third and most used path is the "special use permit" ("SUP") path. *See* AMC 17.63.070(A)(1). SUP applications are subject to layers of review under three chapters of the AMC. In addition to the process outlined in Chapter 17.63, SUP applications are subject to the City's general zoning regulations in Chapter 17.64 and the procedures and requirements imposed by AMC 17.10.100. The AMC lists eight factors the City shall consider when deciding whether to grant a SUP application: (1) the height of the proposed tower, (2) the proximity of the tower to residential structures and district boundaries, (3) the nature of uses on adjacent and nearby properties, (4) the surrounding topography, (5) the surrounding tree coverage and foliage, (6) the design of the tower (with emphasis on features that reduce or eliminate visual obtrusiveness), (7) proposed

ingress and egress, and (8) the availability of alternatives not requiring a tower. AMC 1 2 17.63.070(B)(2). A SUP applicant proposing to build a cell tower must provide the following 3 information in the permit application: 4 A scaled site plan clearly indicating the location, type and height of the 5 a. proposed tower, on-site land uses and zoning, adjacent land uses and zoning (including when adjacent to other municipalities), comprehensive plan classification of the site and all properties within the applicable separation distances set forth in Section 17.63.070(B)(5), adjacent roadways, proposed 6 7 means of access, setbacks from property lines, elevation drawings of the proposed tower and any other structures, topography, parking, and other 8 information deemed by the zoning administrator to be necessary to assess 9 compliance with this chapter; b. Legal description of the parent tract and leased parcel (if applicable); 10 The setback distance between the proposed tower and the nearest 11 c. residential unit, platted residentially zoned properties, and unplatted residentially zoned properties; 12 d. The separation distance from other towers described in the inventory of 13 existing sites submitted pursuant to Section 17.63.040C shall be shown on an updated site plan or map. The applicant shall also identify the type of 14 construction of the existing tower(s) and the owner/operator of the existing tower(s), if known; 15 A landscape plan showing specific landscape materials; 16 e. f. 17 Method of fencing, and finished color and, if applicable, the method of camouflage and illumination; 18 A description of compliance with Sections 17.63.040C, D, E, F, G, J, L, g. and M, 17.63.070(B)(4), (5) and all applicable federal, state or local laws; 19 20 h. A notarized statement by the applicant as to whether construction of the tower will accommodate collocation of additional antennas for future users; 21 i. Identification fo the entities providing the backhaul network for the tower(s) described in the application and other cellular sites owned or operated by 22 the applicant in the municipality; 23 A description of the suitability of the use of existing towers, other structures j. or alternative technology not requiring the use of towers or structures to provide the services to be provided through the use of the proposed new 24 25 tower. AMC 17.63.070(B)(1). Chapter 17.63 also specifies that the installation of antennas or 26 27 towers in violation of the chapter is a criminal misdemeanor. 28

The permitting process requires the applicant to appear for a hearing before the Planning Commission, and the commission then makes a recommendation to the City Council. AMC 17.10.100(E)(5) and (6). The City Council shall deny an application unless the applicant demonstrates, *inter alia*, that the proposed use "is designed in a manner which is compatible with the character and appearance of the vicinity," "is designed in a manner that is compatible with the physical characteristics of the subject property," "is not in conflict with the health and safety of the community," and "is in compliance with the comprehensive plan." AMC 17.10.100(B)(2)(a), (c), (e), (h).

After a community meeting was held to discuss the application, environmental-impact review was conducted, and multiple hearings were held before the Planning Commission and City Council, the City Council denied T-Mobile's application. T-Mobile sued the City, claiming that the AMC violates the federal Telecommunications Act of 1996 ("the Act") on its face, and that the City Council's denial also violates the Act as applied.

#### III. DISCUSSION

# A. Legal Standard on Summary Judgment.

Summary judgment is appropriate if "the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(c).

# B. The AMC is preempted by Section 253(a) of the Act.

The purpose of the Act is to "provide for a pro-competitive, de-regulatory national policy framework designed to accelerate rapidly private sector deployment of advanced technologies and services . . . by opening all telecommunications markets open to competition." *Cox Commc'ns PCS, L.P. v. City of San Marcos*, 204 F. Supp. 2d 1260, 1264 (S.D. Cal. 2002) (quoting *Cellular Tel. Co. v. Oyster Bay*, 166 F.3d 490, 492-93 (2d Cir. 1999). The Act seeks to prevent state and local governments from prohibiting the ability of any entity to provide telecommunications services: "No State or local statute

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or regulation, or other State or local requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide an interstate or intrastate telecommunications service." 47 U.S.C. § 253(a). Section 253(a)'s preemptive language is "virtually absolute' in restricting municipalities to a 'very limited and proscribed role in the regulation of telecommunications." *Sprint Telephony PCS, L.P. v. County of San Diego*, 490 F.3d 700, 712 (9th Cir. 2007) (quoting *Qwest Commc'ns Corp. v. City of Berkeley*, 433 F.3d 1081, 1256 (N.D. Cal. 2001)).

Section 253(a)'s preemption applies not only to general prohibitions on telecommunications services, but courts have also held that a combination of certain conditions imposed by local ordinances amounts to a prohibition for purposes of Section 253(a). The following features of a local ordinance have caused courts to find preemption: (1) an onerous permit application process, (2) a franchise requirement, (3) penalties for failure to comply with ordinance requirements, (4) subjective aesthetic design requirements, and (5) regulations granting unfettered discretion to the zoning authority to deny permits. *See Sprint*, 490 F.3d at 716; *City of Auburn v. Qwest Corp.*, 260 F.3d 1160, 1175-76 (9th Cir. 2001); *Cox*, 204 F. Supp. 2d at 1265-66.

In this case, T-Mobile claims that the AMC is preempted because it (1) creates an onerous permit application process, (2) imposes criminal penalties for non-compliance, and (3) reserves unfettered discretion to the City Council to deny permit applications based on subjective and aesthetic factors. The City tacitly concedes the first two claims<sup>1</sup>,

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<sup>&</sup>lt;sup>1</sup>Although the City devotes a section of its brief to arguing that the AMC does not impose burdensome requirements, its arguments boil down to a contention that the AMC's voluminous submission requirements are allowed under Section 332(c)(7). *See* Deft.'s Opp'n at 13-15. But this argument is not actually a dispute as to whether the requirements themselves are burdensome. It is true that some burdensome requirements may be necessary to protect the public safety and welfare, and thus exempted from preemption under Section 253(b), but that argument is based on an assumption that the requirements are burdensome. Therefore, the court views the City's argument to be a tacit concession that the requirements are burdensome.

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but focuses on T-Mobile's contention that the AMC grants the City Council unfettered discretion.

To support its claim of unfettered discretion, T-Mobile focuses on five sections of the AMC. Section 17.63.070(B)(2) sets out eight criteria for purposes of evaluating a cell-tower permit application. These criteria include the proximity of the tower to residential areas, the surrounding topography, and whether the tower has been designed to reduce or eliminate visual obtrusiveness. See AMC 17.63.070(B)(2)(a)-(h). AMC 17.64.010(A) requires that the permit applicant demonstrate and explain "the need for the particular facility in the proposed location," and AMC 17.10.100(B)(1) requires that the applicant show that the use would not be "detrimental to the surrounding neighborhood . . . [and] will not be a liability to the neighboring uses." The AMC also directs the City Council to deny a permit application unless the applicant demonstrates, *inter alia*, that the design of the proposed use is compatible with the vicinity's character and appearance, and that the use does not hinder neighborhood circulation or discourage development. See AMC 17.10.100(B)(2)(a) & (b). Finally, the AMC authorizes the City Council to "impose conditions upon a particular use if it is deemed necessary for the protection of the surroudning properties and for the general welfare of the public and/or to provide for compliance with conditional use permit criteria." AMC 17.10.100(B)(3).

T-Mobile claims that because the AMC imposes the subjective criteria listed above, it is impossible for T-Mobile or any other applicant to know whether its application will be approved. According to T-Mobile, this is precisely the type of discretionary permitting process that the Act seeks to prevent. According to the City, the AMC validly protects legitimate concerns about a cell tower's effect on a community's aesthetic values and development potential as traditional zoning prerogatives of local governments. This argument anticipates the safe-harbor argument addressed in the next section of this order, in the sense that the City contends that even if a local government's zoning ordinances could be said to present barriers to wireless communication, they are

not preempted by the Act because creating zoning ordinances is a valid function of local government.

The City's argument has been unequivocally rejected in the Ninth Circuit. In Sprint, the court found that the Act preempted a county's wireless telecommunications ordinance ("WTO"):

The County's WTO, on its face, supplements the Zoning Ordinance by adding submission requirements to an already voluminous list. Those adding submission requirements to an already voluminous list. Those requirements are in addition to the open-ended discretion and threat of criminal penalties contained in the Zoning Ordinance. The WTO itself explicitly allows the decision maker to determine whether a facility is appropriately "camouflaged," "consistent with community character," and designed to have minimum "visual impact." We find the County's retort – that the elements of the WTO challenged by Spring are traditional facets of zoning that are unobjectionable for the simple reason that the WTO is a zoning ordinance rather than a franchise or public-right-of-way ordinance – unconvincing. . . . We conclude that the WTO imposes a permitting structure and design requirements that presents barriers to wireless telecommunications within the County, and is therefore preempted by telecommunications within the County, and is therefore preempted by Section 253(a).

Sprint, 490 F.3d at 716 (citations omitted). The county ordinance challenged in Sprint contains similar provisions to the AMC provisions challenged in this case. Both add voluminous submission requirements to a multi-layer permitting process, both contain criminal penalties for non-compliance, and both include subjective aesthetic and design requirements that vest significant discretion in the decision-making body. Due to the similarities between the regulations challenged in this case and those challenged in Sprint, the court applies Sprint's reasoning to find that the challenged provisions of the AMC present barriers to wireless services and are therefore preempted by Section 253(a).<sup>2</sup>

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<sup>&</sup>lt;sup>2</sup>As Sprint also notes, the considerations under a Section 253(a) facial challenge and an asapplied challenge under Section 332(c)(7) of the Act are substantially similar. Both sections proscribe regulations that prohibit or have the effect of prohibiting wireless service. See Sprint, 490 F.3d at 715. While challenges brought under the two different sections may face different procedural requirements, a court is asked under either section to consider whether a state or local government has prohibited or effectively prohibited wireless service. Thus, for the same reasons articulated in its analysis of T-Mobile's facial challenge to the AMC, the court would find T-Mobile's as-applied challenge successful. The court therefore need not analyze T-Mobile's as-

## C. The Section 253(b) safe harbor does not prevent preemption.

The City argues that even if Section 253(a) preempts the AMC, the Section 253(b) safe harbor applies to prevent preemption. The Act contains safe harbors exempting certain types of regulations from preemption. Section 253(b) allows a state to "preserve and advance universal service, protect the public safety and welfare, ensure the continued quality of telecommunications services, and safeguard the rights of consumers." Section 253(c) allows states and local government to "manage the public rights-of-way."

T-Mobile contends that the Section 253(b) safe harbor does not protect the AMC because Section 253(b) expressly applies only to states, not local governments. Few courts have considered this limitation, but those courts have noted that Section 253(b) only applies to local governments if the state has specifically delegated its authority to its local governments. *Cox*, 204 F.Supp.2d 1260, 1264 (S.D. Cal. 2002); *see also Southwestern Bell Wireless, Inc. v. Johnson County Bd. of County Comm'rs*, 199 F.3d 1185, 1192 (10th Cir. 1999), *cert. denied*, 530 U.S. 1204 (2000).

The City acknowledges that the State has not specifically delegated authority to local governments to regulate telecommunications, but instead relies on the Washington Constitution's general delegation of police powers to local governments. *See* WASH. CONST., art. XI, § 11; *see also Myhre v. City of Spokane*, 70 Wn.2d 207, 210 (1967) ("Zoning is a discretionary exercise of police power by a legislative authority."). T-Mobile contends that a delegation of police power is too general to be considered a delegation for Section 253(b) purposes. T-Mobile also argues that even if the delegation was valid, Section 253(b) does not protect the AMC because the challenged sections are unrelated to public safety and welfare.

In *Cox*, a case both parties cite to support their position, the defendant wireless provider conceded that the state had delegated to its subdivisions the authority to

applied challenge under Section 332(c)(7), and accordingly DENIES the City's motion to strike (Dkt. # 30) certain evidence related to the Section 332(c)(7) claim.

regulating the time, place, and manner of installing public utilities. *Cox*, 204 F. Supp. 2d at 1268. This authority was limited to what was "necessary to safeguard the public, health, safety and welfare to the extent not prohibited by law." *Id.* at 1269. Based on this concession, the court found that, for purposes of ruling on the preliminary injunction motion, Section 253(b) probably saved a city regulation directing the permitting authority to consider whether granting a variance would be materially detrimental to the public health, safety, or welfare. *Id.* 

This case is distinguishable from *Cox* because in this case, the wireless provider contests delegation and the alleged delegation is very broad and general. And though *Cox* addressed the Section 253(b) and (c) safe harbors in the context of ruling on a motion for preliminary injunction, that court nonetheless unequivocally stated that Section 253(b) does not apply to local governments unless the state delegates the authority to regulate telecommunications services to municipalities. This conclusion is consistent with a comparison of the language of Section 253(b) (referring to state regulations) and Section 253(c) (referring to state and local regulations). The City has not shown that the State intended to delegate its authority to regulate telecommunications to local governments; in fact, state laws indicate that the State intended to *prevent* such delegation. RCW 35.99.040(2)(c) states that a city's zoning authority over telecommunications providers is limited by Section 253, and RCW 35.99.040(1)(a) and (c) prohibit cities from regulating the services or business operations of telecommunications providers.

Even if the State had delegated its authority to the City, the challenged provisions of the AMC would not be saved by Section 253(b) because the City has not shown that they are necessary for the protection of public safety and welfare. Though the City claims that the challenged provisions protect the public welfare because they are based on traditional zoning concerns, such as aesthetics and property values, this interpretation of the Section 253(b) safe harbor threatens to swallow the preemption rule. If any zoning ordinance was protected merely by virtue of being a zoning ordinance, there would be no need for Section 253(a). The Ninth Circuit rejected this type of argument in *Auburn*.

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In *Auburn*, city ordinances contained provisions requiring a telecommunications franchise applicant to describe its technical, financial, and legal ability to provide wireless services; provisions regulating transfer of shares of ownership in the telecommunications companies; provisions requiring the wireless provider to offer certain rates and terms to the communities served by the franchise; and provisions allowing the city council to impose conditions on a franchise as required by the public interest. *See Auburn*, 260 F.2d at 1178-79. Though the defendant cities claimed that the provisions were related to the cities' fitness to provide services, and thus related to the cities' protected interest in managing their rights-of-way under the Section 253(c) safe harbor, the court found that the cities' argument led to absurd results:

For example, [the cities] say stock ownership is linked to a company's financial well-being, which may affect its continued existence, or its ability to pay fees or other necessary costs, which may ultimately affect its use of the right-of-way. . . . This is simply too tenuous a connection to the "manage[ment] of rights of way." Under this semantic two-step, § 253(c) would have no limiting principle. The safe harbor provisions would swallow whole the broad congressional preemption. Municipalities could regulate nearly any aspect of the telecommunications business. Indeed, these regulations come perilously close to this *reductio ad absurdum*.

Auburn, 260 F.3d at 1180.

The court shares the same concerns in this case. The City's argument would justify the use of any regulation that could be tangentially tied to public safety and welfare, and the City essentially defines any zoning-related regulation as related to public safety and welfare. But this circular logic would lead to the result that no zoning-related regulation could ever be preempted under Section 253(a), and *Sprint* flatly rejects this contention:

We find the County's retort – that the elements of the [Wireless Telecommunications Ordinance] challenged by Sprint are traditional facets of zoning that are unobjectionable for the simple reason that the [ordinance] is a zoning ordinance rather than a franchise or public right-of-way ordinance – unconvincing.

*Sprint*, 490 F.3d at 716. In other words, just because regulations can be classified as zoning regulations does not mean that they cannot be preempted by Section 253(a). If the

regulations create a barrier to wireless telecommunications, Section 253(a) preemption applies.

Sprint does not address the Section 253(b) safe harbor, and the City urges this court not to view *Sprint*'s silence as support for T-Mobile's position that the Section 253(b) safe harbor does not protect the challenged portions of the AMC from preemption. The fact that *Sprint* does not address Section 253(b) is not surprising, given that the district court order did not address it either. See Sprint Telephony PCS, L.P. v. County of San Diego, 377 F. Supp. 2d 886 (S.D. Cal. 2005). When Sprint and Auburn are read together, in light of the purpose of the Act, the court concludes that the Act's safe harbors have a more limited applicability than the City will admit. The purpose of the Act is to create federal regulation of wireless service, and to preempt state and local regulations that violate those federal regulations. State and local government regulations that prohibit or present barriers to wireless services are generally preempted, though certain narrow functions of those governments are exempted. If, as the City contends, zoning ordinances constituting a barrier to wireless service are considered, by definition, to be an exempted function of local government, zoning ordinances would never be preempted. But Sprint rejects this precise argument. And although the City appears to argue that the court should look to Section 332(c)(7) as a basis for finding that the City's zoning authority is not preempted, Section 332(c)(7) is not a third safe harbor from preemption. Instead, Section 332(c)(7) places restrictions on the local government's decisions regarding the placement, construction, and modification of personal wireless service facilities. Although it does reveal Congress' recognition that there are legitimate state and local concerns related to wireless communications, Section 332(c)(7) is not a safe harbor protecting all local zoning regulations from preemption. See Sprint, 490 F.3d at 714 (concluding that if Congress had been concerned that Section 253(a) would preempt the regulations protected by Section 332(c)(7), it would have created a safe harbor for those regulations).

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Therefore, the court finds that Section 253(b) does not save the challenged portions of the AMC. Because these portions impose an onerous permitting structure and grant considerable discretion to the permitting authority, the court finds that Chapter 17.63, Chapter 17.64, and Section 17.10.100 of the AMC present barriers to wireless telecommunications in the City and are therefore preempted by Section 253(a). Though the court has considered the other arguments raised in the parties' briefing, including those related to T-Mobile's Section 332(c)(7) challenge, the court need not address those arguments given the court's resolution of the Section 253(a) preemption issue.

# D. The challenged portions of the AMC cannot be severed from the valid portions.

In the City's briefing, it contended that the challenged portions of the AMC could be severed if the court found them to be preempted. *See* Deft.'s Opp'n at 20-21. At oral argument, however, the parties agreed that severing the challenged portions of the AMC would eviscerate the permitting scheme, leaving a disjointed and unworkable code.

T-Mobile requests that, rather than remand the permit application for further consideration by the City as the City requests, the court simply order that the City approve the permit application. The court has considered following an approach taken by *Berkeley*, wherein the City would be given an opportunity to show cause under the AMC's non-exempted portions or other valid regulations why the court should not order that the permit application be granted. *See Berkeley*, 146 F. Supp. 2d at 1105 (where a city's permitting ordinance was exempted under Section 253(a), but where the wireless provider's application raised concerns regarding excavation and encroachment issues, the court allowed the defendant to show cause why a permit approval should not be ordered).

In *Berkeley*, there were many disputes of material fact related to the environmental impact of the wireless provider's proposed use, such that the court was hesitant to order that the permit be granted without further consideration of the significant potential consequences. In this case, the administrative record shows that T-Mobile has complied

with all submission requirements under the AMC, and no issues of material fact are in dispute. Therefore, the court will provide T-Mobile with its requested relief.

## IV. CONCLUSION

For the foregoing reasons, the court GRANTS T-Mobile's motion for summary judgment (Dkt. # 12), DENIES the City's motion for summary judgment (Dkt. # 27), and DENIES the City's motion to strike (Dkt. # 30).

## IT IS HEREBY ORDERED as follows:

- (1) The City is enjoined from enforcing on T-Mobile Chapter 17.63, Chapter 17.64, and Section 17.10.100 of the AMC, as they relate to wireless telecommunications facilities; and
- (2) The City must issue a permit allowing T-Mobile to construct the wireless communications facility as proposed in its application.

Dated this 6<sup>th</sup> day of May, 2008.

The Honorable Richard A. Jones United States District Judge

Richard A Jones